



DEPARTMENT OF COMMERCE

Billing Code 3510-33-P

Bureau of Industry and Security

Docket No. 160816751-6751-01

National Defense Stockpile Market Impact Committee Request for Public Comments on the Potential Market Impact of the Proposed Fiscal Year 2018 Annual Materials Plan

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Notice of inquiry; request for comments.

SUMMARY: The purpose of this notice is to advise the public that the National Defense Stockpile Market Impact Committee, co-chaired by the Departments of Commerce and State, is seeking public comments on the potential market impact of the proposed Fiscal Year 2018 National Defense Stockpile Annual Materials Plan. The role of the Market Impact Committee is to advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions, conversions, and disposals involving the stockpile and related material research and development projects. Public comments are an important element of the Committee's market impact review process.

DATES: To be considered, written comments must be received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Address all comments concerning this notice to Eric Longnecker, U.S. Department of Commerce, Bureau of Industry and Security, Office of Strategic Industries and

Economic Security, 1401 Constitution Avenue NW, Room 3876, Washington, DC 20230, fax: (202) 482-5650 (Attn: Eric Longnecker), e-mail: MIC@bis.doc.gov; and Levi White, U.S. Department of State, Bureau of Energy Resources, 2201 C Street NW, Washington, DC 20520, fax: (202) 647-4037 (Attn: Levi White), e-mail: WhiteLA2@state.gov.

FOR FURTHER INFORMATION CONTACT: Parya Milani, Office of Strategic Industries and Economic Security, Bureau of Industry and Security, U.S. Department of Commerce, telephone: (202) 482-8228, fax: (202) 482-5650 (Attn: Parya Milani), e-mail: MIC@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

Under the authority of the Strategic and Critical Materials Stock Piling Revision Act of 1979, as amended (the Stock Piling Act) (50 U.S.C. 98, et seq.), the Department of Defense's Defense Logistics Agency (DLA), as National Defense Stockpile Manager, maintains a stockpile of strategic and critical materials to supply the military, industrial, and essential civilian needs of the United States for national defense. Section 9(b)(2)(G)(ii) of the Stock Piling Act (50 U.S.C. 98(h)(b)(2)(G)(ii)) authorizes the National Defense Stockpile Manager to fund material research and development projects to develop new materials for the stockpile.

Section 3314 of the Fiscal Year (FY) 1993 National Defense Authorization Act (NDAA) (50 U.S.C. 98h-1) formally established a Market Impact Committee (the Committee) to "advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions and disposals of materials from the stockpile...." The Committee must also balance market impact concerns with the statutory requirement to protect the U.S. Government

against avoidable loss.

The Committee is comprised of representatives from the Departments of Commerce, State, Agriculture, Defense, Energy, Interior, the Treasury, and Homeland Security, and is co-chaired by the Departments of Commerce and State. The FY 1993 NDAA directs the Committee to consult with industry representatives that produce, process, or consume the materials stored in or of interest to the National Defense Stockpile Manager.

As the National Defense Stockpile Manager, the DLA must produce an Annual Materials Plan proposing the maximum quantity of each listed material that may be acquired, disposed of, upgraded, converted, or sold by the DLA in a particular fiscal year. In Attachment 1, the DLA lists the quantities and type of activity (potential acquisition, potential disposal, potential upgrade, potential conversion, or potential sale) associated with each material in its proposed FY 2018 Annual Materials Plan (“AMP”). The quantities listed in Attachment 1 are not acquisition, disposal, upgrade, conversion or sales target quantities, but rather a statement of the proposed maximum quantity of each listed material that may be acquired, disposed of, upgraded, converted, or sold in a particular fiscal year by the DLA, as noted. The quantity of each material that will actually be acquired or offered for sale will depend on the market for the material at the time of the acquisition or offering, as well as on the quantity of each material approved for acquisition, disposal, conversion, or upgrade by Congress.

The Committee is seeking public comments on the potential market impact associated with the proposed FY 2018 AMP as enumerated in Attachment 1. Public comments are an important element of the Committee's market impact review process.

Submission of Comments

The Committee requests that interested parties provide written comments, supporting data and documentation, and any other relevant information on the potential market impact of the quantities associated with the proposed FY 2018 AMP. All comments must be submitted to the addresses indicated in this notice. All comments submitted through e-mail must include the phrase “Market Impact Committee Notice of Inquiry” in the subject line.

The Committee encourages interested persons who wish to comment to do so at the earliest possible time. The period for submission of comments will close on [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The Committee will consider all comments received before the close of the comment period. Comments received after the end of the comment period will be considered, if possible, but their consideration cannot be assured.

All comments submitted in response to this notice will be made a matter of public record and will be available for public inspection and copying. Anyone submitting business confidential information should clearly identify the business confidential portion of the submission and also provide a non-confidential submission that can be placed in the public record. The Committee will seek to protect such information to the extent permitted by law.

The Office of Administration, Bureau of Industry and Security, U.S. Department of Commerce, displays public comments on the BIS Freedom of Information Act (FOIA) Web site at <http://www.bis.doc.gov/foia>. This office does not maintain a separate public inspection facility. If you have technical difficulties accessing this Web site, please call BIS's Office of Administration at (202) 482-1900 for assistance.

Dated: August 23, 2016

Kevin J. Wolf

Assistant Secretary for Export Administration

Attachment 1

PROPOSED FISCAL YEAR 2018 ANNUAL MATERIALS PLAN

Potential Disposals

Material	Unit	Quantity	Footnote
Beryllium Metal	ST	2	
Chromium, Ferro	ST	23,500	
Chromium, Metal	ST	200	
E-Waste	MT	50	2/
Dysprosium	MT	0.5	
Germanium Scrap	kg	5,000	
Iridium Catalyst	Lbs	50	
Manganese, Ferro	ST	50,000	
Manganese, Metallurgical Grade	SDT	322,025	
Nickel Based Alloys	Lbs	150,000	
Platinum	Tr Oz	8,380	
Platinum – Iridium	Tr Oz	489	
Tantalum Carbide Powder	Lb Ta	3,777	
Tantalum Scrap	Lbs	190	
Tin	MT	804	
Titanium Based Alloys	Lbs	75,000	
Tungsten Metal Powder	LB W	275,738	1/
Tungsten Ores and Concentrates	LB W	3,000,000	
Yttrium Aluminum Garnet Rods	kg	250	
Zinc	ST	7,993	1/

Potential Acquisitions

Material	Unit	Quantity	
Antimony	MT	1,100	
Beryllium Metal	ST	2	3/
Boron Carbide	MT	1,000	
High Modulus High Strength Carbon Fibers	MT	72	
CZT (Cadmium Zinc Tellurium substrates)	cm ²	32,000	
Dysprosium	MT	0.5	
Electrolytic Manganese Metal	MT	3,000	
Europium	MT	18	
Ferro-niobium	MT	209	
Germanium Metal	kg	1,000	
HMX/RDX	Lbs	5,500,000	
Lithium Cobalt Oxide (LCO)	kg	600	
Lithium Nickel Cobalt Aluminum Oxide (LNCAO)	kg	2,160	
Mesocarbon Microbeads (MCMB)	kg	15,552	
Rare Earths	MT	416	4/
Silicon Carbide Fibers	Lbs	875	
TATB (Triamino-Trinitrobenzene)	LB	48,000	
Tantalum	Lb Ta	33,990	
Tungsten-3 Rhenium Metal	kg	5,000	
Yttrium Oxide	MT	10	

Potential Conversions

Beryllium Metal

ST

2

Footnote Key:

1/Actual quantity will be limited to remaining inventory

2/Strategic and Critical Materials collected from E-Waste

3/This acquisition allows for use of non-stockpile materials in the production of material meeting modern specifications. U.S.C. 50 §98 Sec. 5a(1) allows for replacement of stockpile materials with better quality material without specific legislated authority.

4/Excludes acquisition of yttrium, dysprosium and europium as these rare earths were requested under separate legislation

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